

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution ALJ 176-3147
Administrative Law Judge Division
February 10, 2005

R E S O L U T I O N

RESOLUTION ALJ 176-3147. Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4, and 6.1 of the Commission's Rules of Practice and Procedure. (See also Rule 63.2(c) regarding notice of assignment.)

The Commission's rules and procedures which implement the requirements of Senate Bill (SB) 960 (Leonard, ch. 96-0856) are, for the most part, found in Article 2.5 of our Rules of Practice and Procedure. The rules and procedures were adopted by the Commission in D.97-11-021, which describes more fully the background to the development of these rules. Rule 4 describes the formal proceedings to which the SB 960 rules (Article 2.5) apply. Rule 6.1 requires the Commission to preliminarily determine a proceeding's category, whether the proceeding requires a hearing, and designate an Assigned Commissioner and Administrative Law Judge. Rule 6.1(a) states that the preliminary determination of category is not appealable but shall be confirmed or changed by Assigned Commissioner's ruling. Unless and until a preliminary determination is changed by such ruling, the preliminary determination of category governs the applicability of the other reforms that SB 960 requires. Rule 63.2 provides for petitioning the Commission to reassign a proceeding to another administrative law judge. Rule 63.2(c) establishes the time for filing such a petition. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

The Categories

SB 960 makes sweeping changes in many aspects of the Commission's practices in an effort to improve the quality and timeliness of Commission decision making. It creates three categories of proceedings: adjudicatory, ratesetting, and quasi-legislative. The

applicability of many of the changes it requires depends upon the category assigned to the proceeding. For example, the ex parte rules which apply differ if the proceeding is categorized as adjudicatory rather than quasi-legislative. The Legislature defined each of these procedural categories in Section 7 of SB 960. Consistent with these definitions, the rules provide that:

“‘Adjudicatory’ proceedings are: (1) enforcement investigations into possible violations of any provision of statutory law or order or rule of the Commission; and (2) complaints against regulated entities, including those complaints that challenge the accuracy of a bill, but excluding those complaints that challenge the reasonableness of rates or charges, past, present, or future.

“‘Ratesetting’ proceedings are proceedings in which the Commission sets or investigates rates for a specifically named utility (or utilities), or establishes a mechanism that in turn sets the rates for a specifically named utility (or utilities). ‘Ratesetting’ proceedings include complaints that challenge the reasonableness of rates or charges, past, present, or future. For purposes of this Article, other proceedings may be categorized as ratesetting as described in Rule 6.1(c).

“‘Quasi-legislative’ proceedings are proceedings that establish policy or rules (including generic ratemaking policy or rules) affecting a class of regulated entities, including those proceedings in which the Commission investigates rates or practices for an entire regulated industry or class of entities within the industry.” (Rules 5(b), 5(c), and 5(d).)

Mixed or Unclear Category Proceedings

For a proceeding that may fall into more than one category, the rules allow parties to recommend that the Commission pick the most suitable category, or to recommend dividing the subject matter of the proceeding into different phases or one or more new proceedings, each with its own category. The rules provide that a proceeding that does not clearly fit into *any* of SB 960’s defined categories will be conducted under the rules applicable to the ratesetting category. As such a proceeding matures, the Commission may determine that the rules applicable to one of the other categories, or some hybrid of those rules, would be better suited to the proceeding.

As stated in D.97-06-071, ratesetting proceedings typically involve a mix of policymaking and factfinding relating to a particular public utility. Because proceedings that do not clearly fall within the adjudicatory or quasi-legislative categories likewise typically involve a mix of policymaking and factfinding, the ratesetting procedures are, in general, preferable for those proceedings.

Next Steps

As stated above, this preliminary determination of category is not appealable. Once interested parties have had an opportunity to respond to the initiating party's proposed category, the preliminary determination shall be confirmed or changed by Assigned Commissioner's Ruling pursuant to Rule 6(a)(3). This Assigned Commissioner Ruling may be appealed to the full Commission pursuant to Rule 6.4(a). Parties have 10 days after the ruling is mailed to appeal. Responses to the appeal are allowed under Rule 6.4(b), and must be filed and served not later than 15 days after the ruling is mailed. The full Commission will consider the appeal.

Any party, or person or entity declaring an intention to become a party is entitled to petition for reassignment of the proceeding to another Administrative Law Judge, as described in Rule 63.2. Such a petition must be filed no later than 10 days after notice of the assignment. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

Conclusion

The Commission has reviewed the initial pleading of the utility applicants listed in the attached schedule and has made a preliminary determination of category and need for hearing, consistent with the requirements and definitions of Article 2.5 of its rules.

IT IS ORDERED that each proceeding listed in the attached schedule is preliminarily categorized, and the need for a hearing is noted.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on February 10, 2005, the following Commissioners voting favorably thereon:

/s/ STEVE LARSON

STEVE LARSON
Executive Director

MICHAEL R. PEEVEY
President
GEOFFREY F. BROWN
SUSAN P. KENNEDY
Commissioners

Comr. Grueneich recused herself
from this agenda item and was not
part of the quorum in its consideration.

PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3147 (2/10/05)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
A05-01-020 CITIZENS TELECOMMUNICATIONS COMPANY OF CALIFORNIA, INC., dba FRONTIER COMMUNICATIONS OF CALIFORNIA, to establish price floors for local measured usage, extended area service, and zone usage measurement.	Ratesetting	Ratesetting	NO
A05-01-023 ALLIANCE FOR RETAIL ENERGY MARKETS, for modification of Resolution E-3906 to allow for protests of Pacific Gas and Electric Company Advice Letter 2555-G-A/2521-E-A.	Ratesetting	Ratesetting	NO
A05-01-024 PENINSULA CORRIDOR JOINT POWERS BOARD, for authority to construct a new pedestrian at-grade crossing at the Palo Alto Station, City of Palo Alto, County of Santa Clara.	Ratesetting	Ratesetting	NO
A05-01-025 ABDELAZIZ, MAHMOUND, dba SAFEWAY SHUTTLE, for authority to operate as a passenger stage corporation between points in Contra Costa, Alameda, and San Francisco counties, and the San Francisco, San Jose, and Oakland International airports; and to establish a zone of rate freedom.	Ratesetting	Ratesetting	NO
A05-01-026 BAY POINT VENTURE ONE, LLC, PACIFIC GAS AND ELECTRIC COMPANY, for an order authorizing the sale and conveyance of two parcels of land in Contra Costa County pursuant to Public Utilities Code Section 851.	Ratesetting	Ratesetting	NO
A05-01-027 PACIFIC GAS AND ELECTRIC COMPANY, for an expedited order authorizing an encroachment on a certain easement in Kern County pursuant to Public Utilities Code Section 851.	Ratesetting	Ratesetting	NO
A05-01-029 TELECOM HOUSE INCORPORATED (U 5675-C), for a Certificate of Public Convenience and Necessity to Provide Resold Local Exchange Service in California	Ratesetting	Ratesetting	NO
A05-01-030 AMERICATEL CORPORATION, dba 1010 123 AMERICATEL/ ALMENDRAL, S.A., for authority to transfer control of an authorized telecommunications carrier.	Ratesetting	Ratesetting	NO

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Resolution ALJ 176-3147 (2/10/05)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
A05-01-031 SAN DIEGO GAS & ELECTRIC COMPANY, for authority to increase its short-term borrowing authorization to an aggregate amount not to exceed \$400,000,000 in addition to that amount otherwise authorized by Public Utilities Code Section 823(c), and to simultaneously extend the term of such authorization through December 31, 2010.	Ratesetting	Ratesetting	NO
A05-01-032 ELIZONDO, GENARO E., dba BAY AREA CONNECTION, SAIYED, JAHANGIR M., to sell and transfer PSC-8782 certificate to Jahangir M. Saiyed, for extension of passenger stage authority to operate between points in San Francisco, Alameda, Contra Costa and Santa Clara counties and to Oakland, San Jose and San Francisco International airports and to establish a zone of rate freedom.	Ratesetting	Ratesetting	NO
A05-01-033 HILLVIEW WATER COMPANY (U 194-W), to borrow \$1,800,000 and to issue a note under Sections 816 - 830 of the Public Utilities Code.	Ratesetting	Ratesetting	NO
A05-02-001 SANTA CRUZ AIRPORTER, LLC, SANTA CRUZ TRANSPORTATION, INC., dba SANTA CRUZ AIRPORTER, for approval of the transfer by sale of the passenger stage authority and operating assets of Seller, specifically PSC #1270, from Seller to Buyer, pursuant to the provisions of the California Public Utilities Code Sections 851 et seq.	Ratesetting	Ratesetting	NO
A05-02-002 CITY OF AZUSA, CITY OF GLENDORA, for authority to close the North Rockvale private at-grade crossing across the Los Angeles County Metropolitan Transportation Authority track operated by the Burlington Northern Santa Fe Railway, CPUC No. 101PA-116.22X; to convert the existing Palm Drive Crossing, CPUC No. 101PA-116.05-X into a grade separated crossing and to construct a new grade separated crossing at Citrus Avenue, MP 115.86 proposed CPUC No. 101PA-115.86B in the cities of Azusa and Glendora, County of Los Angeles.	Ratesetting	Ratesetting	NO

PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3147 (2/10/05)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
A05-02-003 EXPEDIENT CARRIER SERVICES, LLC, for a Certificate of Public Convenience and Necessity to provide interLATA and intraLATA interexchange services and competitive Local Exchange Services.	Ratesetting	Ratesetting	NO
A05-02-004 SOUTHERN CALIFORNIA WATER COMPANY (133-W), for authorization to increase rates charged for water service by \$18,972,300 or 24.17% in 2006; by \$1,534,500 or 1.57% in 2007; and by \$1,493,900 or 1.50% in 2008 in its Region III Service Area. (TEND 1504)	Ratesetting	Ratesetting	YES
A05-02-005 APPLE VALLEY RANCHOS WATER COMPANY, for authority to increase rates charged for water service by \$2,748,100 or 18.56% in 2006, \$496,580 or 2.69% in 2007, and \$1,075,879 or 5.46% in 2008.	Ratesetting	Ratesetting	YES